

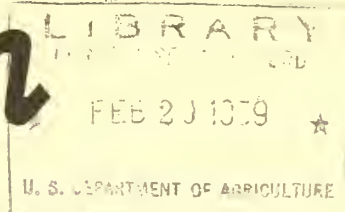
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Foreign

CROPS AND MARKETS



FOR RELEASE MONDAY, FEBRUARY 9, 1959

VOLUME 78

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NEW PUBLICATIONS RELATING TO U. S. FOREIGN AGRICULTURAL TRADE

Available (single copies) free to persons in the U. S. from the Foreign Agricultural Service, U. S. Department of Agriculture, Washington 25, D. C. Room 5922. Phone: REpublic 7-4142, Ext. 2445.

Cuba's Agricultural Production and Trade Situation, 1958-59. Foreign Agriculture Circular FATP 3-59.

World Mohair Production Leveling Off; Exports Down. Foreign Agriculture Circular FW 1-59.

Little Change in Northern Hemisphere Stone Fruit Production. Foreign Agriculture Circular FDAP 1-59.

Agricultural Situation in Colombia. Foreign Agriculture Circular FATP 4-59.

P. L. 480, Title I Exports of U. S. Fats and Oils Set Record. Foreign Agriculture Circular FFO 1-59.

JAPAN'S TRADE LESS IN 1958

Preliminary data show Japan's exports at \$2,876 million in 1958. This is a postwar high, but it exceeds the 1957 level by only 0.6 percent. Imports, deliberately held in check during the year, reached only \$3,032 million. This was 29 percent below 1957 and 6 percent below 1956.

The value of imports of principal agricultural commodities, declined quite steadily during the first 10 months and in October showed the lowest monthly total since November 1954. November and December showed some gain, but the total for the year was down about 10 percent from 1957.

YUGOSLAV WALNUT PRICES DOWN SHARPLY

Between November 15 and December 15, 1958, export prices for shelled Yugoslav walnuts, f.o.b. Yugoslav border, ranged from 36.7 to 63.5 cents per pound. These prices contrasted sharply with the 72.6 to 90.7-cent range during the corresponding 1957 period.

Unshelled Yugoslav walnuts were quoted from 13.6 to 15.9 cents per pound between November 15 and December 15, 1958, f.o.b. Yugoslav border (size 30-32 mm. diameter). Though most exports were in kernel form, the 1958 in-shell walnut volume exported was reported greater than during a similar 1957 period.

Commercial production of walnuts in Yugoslavia during 1958 is estimated at 2,800 short tons, in-shell, or roughly 10 percent of total production. Exports are expected to reach 2,300 tons, in-shell equivalent, during 1958-59. The 1957 commercial production was an estimated 2,100 short tons and corresponding exports approximately 1,300 tons, in-shell basis.

PORTUGUESE AND MOROCCAN TOMATO PRODUCT EXPORTS RISING

Portuguese exports of tomato products have more than doubled in the 5 years. This is largely the result of extension work among the growers, which has reduced production costs and increased yields, and of new factories equipped with latest machinery from Italy, West Germany, and Britain.

Principal buyers of the tomato products are the United Kingdom, Denmark, West Germany, and Norway. Exports of tomato products in 1953 amounting to 2,034 metric tons valued at 471 thousand dollars increased to 5,440 tons in 1957 valued at 1.3 million dollars.

Morocco, too, is looking for foreign outlets for canned tomatoes and is opening an office in New York devoted to promote sale in the United States of Moroccan handicrafts, canned tomatoes, canned sardines, and cork.

TURKEY'S TOBACCO EXPORTS STEADY

Turkey's exports of unmanufactured tobacco during the period January-August 1958, at 126.5 million pounds, were only 1 percent above the similar period of 1957. A substantial drop in exports to the United States from 56.9 million to 43.3 million pounds was more than offset by large increases to the Soviet bloc in Eastern Europe and to West Germany. Exports to the Soviet Union, East Germany, Czechoslovakia, Poland, and Hungary totaled 45.7 million pounds in January-August 1958, compared with 36.1 million for the first 8 months of 1957.

TOBACCO, UNMANUFACTURED: Turkey, exports by country of destination, January-August 1957 and 1958

Country of destination	January-August	
	1957	1958
	1,000	1,000
	<u>pounds</u>	<u>pounds</u>
United States.....	56,932	43,298
Germany, West.....	9,556	15,525
Germany, East.....	12,828	12,736
Czechoslovakia.....	8,073	9,471
Poland.....	11,508	9,032
France.....	2,857	5,805
Italy.....	4,560	2,987
Soviet Union.....	2,073	10,922
Hungary.....	1,594	3,554
Austria.....	2,577	3,018
Egypt.....	3,173	1,023
Yugoslavia.....	2,770	1,102
Others.....	6,957	8,047
Total.....	125,458	126,520

Source: Tobacco Intelligence - London.

HUNGARY-BULGARIAN TRADE AGREEMENT INCLUDES TOBACCO

The Hungarian-Bulgarian trade agreement for 1959 was recently signed in Sofia. Bulgarian tobacco is included as one of the items to be sent to Hungary this year in exchange for Hungarian manufactured goods.

CANADIAN 1958 BURLEY PRODUCTION UP

The Tobacco Division of the Canadian Department of Agriculture reported the 1958 Burley production in Ontario Province at 10.8 million pounds from a planted area of 7,000 acres. This is about 2.6 million pounds or 32 percent above the 1957 level.

There is a rising interest in Burley production in the cigar tobacco districts of Quebec Province. In 1958, about 350,000 pounds of Burley were produced from 286 acres in the Province.

EXPORTS OF RHODESIAN
FLUE-CURED RISE

Exports of flue-cured tobacco from the Federation of Rhodesia and Nyasaland rose in the first 10 months of 1958 to 104.4 million pounds compared with 101.7 million in the same months a year earlier. Exports to the major buyer, the United Kingdom, were off slightly from a year earlier. Australia's takings, however, rose from 8.5 million pounds in January-October 1957 to 10.5 million in January-October 1958.

Probably the most significant rises were in takings by the Netherlands, West Germany, and Denmark. The Union of South Africa, Belgium, Portugal, Austria, and the Belgian Congo all took much less flue-cured in the first 10 months of 1958 than in the first 10 months of 1957.

TOBACCO, UNMANUFACTURED: Federation of Rhodesia and Nyasaland, exports of flue-cured by country of destination, January-October 1957 and 1958
(Export weight)

Country	January-October			Country	January-October	
	1957	1958			1957	1958
	1,000	1,000			1,000	1,000
	pounds	pounds			pounds	pounds
United Kingdom.....	64,578	62,580	::	Sweden.....	518	246
Australia.....	8,464	10,458	::	Norway.....	388	412
Union of South	:	:	::	Portugal.....	658	1/
Africa.....	2,980	2,038	::	Austria.....	620	100
Hong Kong.....	1,418	1,543	::	France.....	553	210
Netherlands.....	4,951	9,009	::	Belgian Congo...	1,517	365
West Germany.....	5,656	8,171	::	Other.....	3,638	4,247
Belgium.....	4,372	2,503	::			
Denmark.....	1,382	2,545	::	Total.....	101,743	104,427

1/ If any, included in other.

FRANCE RAISES PRICES OF TOBACCO PRODUCTS

Retail prices of tobacco products in France were increased effective January 15. Most brand prices rose 15 to 20 percent. Increases were relatively larger for low-priced, popular brands.

The price of the most popular dark cigarette manufactured in France, the Gauloise Caporal, was raised from 95 to 115 francs per package, and now sells for the equivalent of U.S. 23.3 cents. The Royale brand, an American-type, filter-tipped cigarette, formerly sold at 160 francs per package, now retails at 185 francs - equivalent to U.S. 37.5 cents. Prices of cigarillos were raised an average of 22 percent and most brands of smoking tobacco, 13 percent. Prices of imported U.S. cigarettes formerly sold in the price range of 190 to 210 francs per package have been increased to 220 to 240 francs.

These price increases are likely to reduce tobacco consumption, at least temporarily. They are part of the government's program to increase revenues.

LOWER MINIMUM CANNING FRUIT PRICES SET FOR AUSTRALIAN GROWERS

The Australian Fruit Industry Sugar Concession Committee has set substantially lower minimum prices to be paid canning fruit growers during 1959. Minimum fruit prices are set each year by the Committee and must be paid by processors in order to qualify for the domestic and export sugar rebate.

In 1958, a domestic sugar subsidy of approximately \$4.80 per short ton was paid processors on the basis of all canning sugar used. The export sugar rebate ranged between \$37 and \$40 per ton of sugar used and was calculated on the sugar content of the canned fruit exported.

Since Australian supplies of raw canning fruit for the present season are approximately the same as those of a year ago, the lower minimum prices for growers appear to reflect the slow export movement of the previous pack.

The minimum following prices shown for canning fruit either delivered to the growers' railroad siding or to the cannery door are:

<u>Kind of Fruit</u>	<u>1958</u>	<u>1959</u>
	<u>Dollars per short ton</u>	
Apricots.....	90.40	70.31
Peaches, cling, clear centers.....	112.50	92.41
Peaches, cling, other.....	108.48	88.39
Peaches, freestone.....	70.31	60.27
Pears, Bartlett.....	96.43	76.34
Pears, Packham's Triumph.....	72.32	60.27

In practice, actual payments to growers for some fruits are somewhat higher than the minimum published because processors frequently pay bonuses determined by fruit quality and the existing supply and demand situation. During the current season, a bonus of about \$4.00 per short ton is being paid on peaches; extra payments for apricots or pears are infrequent and small.

FRANCE EASES ALMOND IMPORTS

France has liberalized dollar imports of almonds, dried almonds, and bitter almonds from the United States and Canada. The liberalization was effective January 1.

WEST GERMANY ISSUES PEAR TENDER

West Germany has published a tender to import fresh pears from the United States and Canada. Applications for imports may be filed starting January 30 and continue until an unpublished quota is filled or until June 12, 1959.

WEST GERMANY LIBERALIZES DOLLAR IMPORTS OF ADDITIONAL FRUITS AND VEGETABLES

The West German Ministry for Economics has included several important fruit and vegetable items in a long list of dollar imports which have been liberalized. The items are: potatoes for the manufacture of starch or potato flakes under customs control; garden and other beans and edible peas, other than for seed; currant and other dried grapes, including raisins and sultanas; jams, fruit jellies, marmalades, fruit pastes and puree, other than apples or plums, without sugar or syrup added; other preserved fruit, also with sugar or alcohol added, in barrels, of apricots, cherries, strawberries, other berries and other fruit (except pineapples); citrus juice concentrates, without sugar added, in containers weighing 3 kg. ($6\frac{1}{2}$ pounds) or more; and single strength juices, without sugar added, of orange or grapefruit, including mixtures thereof, and of limes and lemons.

Beans and peas other than for seed still need certificates of origin.

VENEZUELA BUYS COLOMBIAN POTATOES

Venezuela recently purchased \$150,000 worth of potatoes from Colombia. In the past, Colombia has not supplied potatoes to Venezuela except for small quantities in 1957. Colombia, Ecuador, and Venezuela have recently combined in a common market which encourages such trade.

MEXICO ESTABLISHES COFFEE INSTITUTE

A Mexican Government decree of December 31, 1958 has established a Mexican Coffee Institute to promote and improve the cultivation and processing of, and trade in coffee.

The Institute will take over the research and extension work formerly assigned to the National Coffee Commission and will also be in charge of regulating domestic and foreign trade in coffee. It will function as an agency of the Ministry of Agriculture, but the Ministries of Finance and of Industry and Commerce will be represented on the Board of Directors.

The Institute will supervise and carry out the commitments which Mexico has undertaken in connection with the Latin American Coffee Agreement. Regulations for the functioning of the Institute are to be issued before the end of February.

NEW ZEALAND MEAT SHIPMENTS TO U. S. IN FEBRUARY

During the period February 3 through February 27, the following vessels are expected to sail with meat cargos, from New Zealand for North America:

Ship	Departure	Port	Quantity
			<u>Long tons</u>
Port Quebec.....	February 3	East Coast	250
Whangoroa.....	" 10	" "	500
Waipawa.....	" 27	" "	4,500
Monterrey.....	" 7	West Coast	250

ARGENTINE CORN SHIPMENTS UP; OTHER GRAIN EXPORTS DOWN

Argentina exported 2.1 million metric tons of grain during July-November 1958, approximately 11 percent above the comparable 1957 period. This increase was due to larger exports of corn which were more than double those of a year earlier. Shipments of other grains declined somewhat.

Exports of wheat were considerably below those in the same months of 1957. Shipments to Brazil and the United Kingdom were larger, but those to many other countries were reduced.

GRAIN: Argentine exports, July-November 1957 and July-November 1958

Country of destination	Wheat	Rye	Corn	Oats	Barley	Total
	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
July-November 1957:						
Brazil	326,534	--	--	2,712	--	329,246
Chile	139,096	--	75	--	--	139,171
Paraguay	24,600	--	--	--	--	24,600
Peru	44,097	--	4,000	--	--	48,097
Austria	550	2,000	1,705	--	930	5,185
Belgium-Luxembourg:	39,039	8,920	97,549	9,096	7,190	161,794
Denmark	8,742	2,400	100	8,106	--	19,348
Finland	--	21,515	--	800	--	22,315
France	12,300	--	3,085	510	1,490	17,385
West Germany	177,454	36,606	40,955	29,671	103,701	388,387
Italy	52,683	18,552	141,124	40,948	28,175	281,482
Netherlands	33,768	34,134	94,767	23,454	23,723	209,846
Norway	--	3,675	--	--	--	3,675
Spain	4,800	--	--	--	--	4,800
Sweden	--	3,600	--	--	--	3,600
Switzerland	11,850	2,000	8,575	17,271	730	40,426
United Kingdom ...	137,563	899	1,547	8,648	1,030	149,687
Yugoslavia	1,000	--	--	1,490	--	2,490
North Africa	9,385	--	--	--	--	9,385
South Africa	16,660	--	--	--	--	16,660
Japan	--	--	1,964	--	--	1,964
Total	1,040,121	134,301	395,446	142,706	166,969	1,879,543
July-November 1958:						
United States	--	--	3,904	--	--	3,904
Brazil	509,426	--	--	5,984	2,000	517,410
Paraguay	26,300	--	--	--	--	26,300
Peru	37,824	--	--	--	--	37,824
Austria	10,713	--	6,470	--	--	17,183
Belgium-Luxembourg:	15,203	4,970	101,795	6,092	1,000	129,060
Czechoslovakia ...	--	--	539	1,500	--	2,039
Denmark	3,800	1,850	4,200	6,236	--	16,086
France	9,634	--	--	--	--	9,634
West Germany	111,902	7,518	66,463	42,841	42,837	271,561
Italy	--	5,212	249,474	4,000	492	259,178
Netherlands	40,434	11,835	256,687	23,018	7,817	339,791
Norway	4,050	--	2,028	--	--	6,078
Poland	--	--	550	--	--	550
Rumania	--	6,931	3,200	1,150	--	11,281
Sweden	800	6,205	1,800	1,690	--	10,495
Switzerland	--	--	9,516	420	--	9,936
United Kingdom ...	167,065	1,330	134,520	10,513	--	313,428
Japan	--	--	100,152	--	--	100,152
North Africa	--	--	1,605	--	--	1,605
South Africa	8,168	--	--	--	--	8,168
Total	945,319	45,851	942,903	103,444	54,146	2,091,663

Source: El Cerealista

Wheat exports during the 12 months ending November 30, 1958 (Argentina's marketing year) came to 1,991,000 metric tons (73 million bushels) against 2,694,000 tons (99 million bushels) in the previous year. This represents the smallest quantity exported during any marketing year since 1951-52. However, shipments during the next few months may be considerably higher, due to a larger crop now being harvested.

Exports of barley, oats and rye during July-November 1958 were about 50 percent below the same period of 1957.

MOROCCAN 1958 ALMOND HARVEST ESTIMATE RAISED

Recent trade estimates place the 1958 Moroccan almond crop at 6,500 short tons, shelled--an upward revision of 1,000 tons. The latest estimate is approximately 3 times as large as the 2,200-ton production of 1957, and about double the 3,300-ton average for the 1951-55 period. Quality of the 1958 harvest is reported high with the kernels above-average in size.

At the close of December 1958, an estimated 5,000 short tons of shelled almonds had been exported, principally to Western Europe. As of November 30, 1958, exports to the United States amounted to 376 tons, according to Moroccan statistics. Moroccan exporters complained of difficulty in selling to U.S. buyers because of inability to supply the large quantities and the high quality required.

ALMONDS, SHELLED: Morocco, exports according to destination July 1 - November 30, 1958

Country of destination	Amount	Value
	<u>Short tons</u>	<u>Dollars</u>
France.....	994	965,785
Germany, West.....	635	667,087
United Kingdom.....	805	825,397
Ireland.....	89	91,750
Bulgaria.....	97	100,500
Germany, East.....	158	287,981
Taiwan.....	237	236,740
United States.....	376	377,650
Algeria.....	107	104,328
Other countries.....	162	169,176
Total.....	3,660	3,826,394

While customs receipts show exports to Bulgaria and Taiwan, exporters believe Moroccan almonds shipped to these countries to be destined for reexport.

C.i.f. prices for Moroccan sweet almonds in the indicated markets as of September 9, 1958 and January 9, 1959 were as follows:

<u>Market</u>	<u>September 9, 1958</u>	<u>January 9, 1959</u>
France	53.4-55.1 cents per pound	No sales
United Kingdom	56.9-57.5 " " "	53.1 cents per pound
Germany, West <u>1/</u>	53.5 " " "	50.8 " " "
United States	59.0 " " "	53.5 " " "

1/ C & F, Hamburg

SWITZERLAND IMPORTS MORE U. S. POULTRY IN 1958

Swiss imports of U.S. frozen poultry totaled 13.4 million pounds in 1958 compared with only 7.0 million pounds in 1957. Total poultry imports into Switzerland were 23.2 million pounds, an increase of about 40 percent over 1957. Larger imports from the United States accounted for over 90 percent of the increase.

Imports of poultry from other sources were up about 4 percent from 1957, with supplies from the Netherlands showing a gain of 24 percent. Shipments from Denmark showed a sharp drop, down about 32 percent.

NEW ZEALAND WOOL EXPORTS UP 24 PERCENT IN JULY-OCTOBER

Wool exports from New Zealand in October 1958 totaled 11 million pounds, actual weight, or about 9 percent more than in October 1957, mainly reflecting increased shipments to the United Kingdom and Japan. In the July-October period exports totaled 85 million pounds, actual weight, a rise of about 24 percent compared with the same period a year earlier. In the 4-month period the only major importing countries to show a decrease were Canada and Poland.

WEST GERMANY'S RICE IMPORTS INCREASE

Rice imports into West Germany in the first 9 months of 1958 were 86,337 metric tons, an increase of 12,053 tons over the corresponding months of 1957. There were significant increases in imports of milled rice, not polished, from Egypt, Italy, the United States, Hungary, and Bulgaria. Imports of such rice from Spain dropped sharply.

Imports of broken rice - almost double - were nearly all from Burma in contrast with an insignificant amount from that country in January-September 1957. However, some broken rice was imported from Thailand and the Netherlands.

Only 4,516 tons of milled rice, polished, was imported, compared with 2,832 tons in January-September 1957. Most of that type is imported from the Netherlands.

WEST GERMANY: Rice imports, by country of origin, and by classification, January-September, with comparisons

Country of origin	1954	1955	1956	1957	January-September	
	1957	1958				
	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
Milled, not polished:						
Argentina	37	4,757	4,421	2,698	2,572	600
Burma	1/	18,469	5,129	5,374	5,374	1,781
Egypt	1,776	33,030	18,796	25,329	19,901	29,142
Italy	44,357	14,562	37,221	1,854	1,225	7,849
Spain	5,489	9,282	8,888	20,980	20,137	345
Surinam	4,300	4,582	5,814	6,899	3,490	3,630
Thailand	4,046	3,648	10,457	11,071	10,280	11,240
United States	89	1/	20	809	600	5,723
Other countries ..	3,250	158	293	1,031	985	2/ 9,134
Total	63,344	88,488	91,039	76,045	64,564	69,444
Milled, polished:						
Italy	236	408	75	200	200	57
Netherlands	5,472	6,133	6,211	3,485	2,629	3,744
Other countries ..	37	1,115	30	3	3	3/ 715
Total	5,745	7,656	6,316	3,688	2,832	4,516
Other, broken						
Burma	990	6,236	7,970	1,323	674	9,284
Italy	8,157	1,242	653	45	45	1/
Netherlands	1/	573	1,167	503	404	415
Thailand	1,329	10	1/	4,564	3,521	2,526
United States	1/	2,422	8,590	2,065	2,065	1/
Other countries ..	220	2,057	1,405	1,017	179	152
Total	10,696	12,540	19,785	9,517	6,888	12,377
All rice:						
Argentina	87	5,815	4,986	2,831	2,706	600
Burma	990	24,903	13,099	6,697	6,048	11,065
Egypt	1,776	33,030	18,796	25,329	19,901	29,142
Italy	52,750	16,212	37,949	2,099	1,470	8,454
Netherlands	5,472	6,706	7,378	3,988	3,031	4,159
Spain	5,489	9,282	8,888	20,980	20,137	345
Surinam	4,300	5,404	6,022	6,899	3,490	3,630
Thailand	5,375	3,720	10,487	15,635	13,801	13,766
United States	89	2,422	8,610	2,874	2,665	5,834
Other countries ..	3,457	1,190	925	1,918	1,035	2/ 9,342
Total	79,785	108,684	117,140	89,250	74,284	86,337

1/ If any, included in "other countries." 2/ Includes from the following countries (in metric tons): Belgium, 1,416; Bulgaria, 2,432; Communist China, 249; France, 1,466, and Hungary, 4,845. 3/ Includes 548 tons from Egypt.

Source: Der Aussenhandel der Bundesrepublik.

AUSTRALIAN WOOL PRICES SHOW WEAKNESS

Australian wool prices continued to show market weakness during the week ending January 16. Sales were held at Sydney, Geelong and Perth with average prices down about 4 percent from previous auctions held in mid-December.

Market observers still contend that wool prices will increase over the last half of 1958-59 season.

WEST GERMAN LARD IMPORTS DECLINE

West Germany imported 45.2 million pounds of lard during January-November 1958. With shipments expected to continue at the rate, total 1958 lard imports will show a sharp decline from 1957 levels. West Germany imported 64.5 million pounds of lard in 1957. Lard production in West Germany during 1958 is expected to total 600 million pounds, up 7 percent from 1957.

Exports from the United States were down sharply. The U. S. share of the market declined from 32 percent in 1957 to 15 percent in the first 11 months of 1958. However, it should be noted that U. S. shipments, which had declined to approximately 2 percent of the lard imports in July 1958, had increased to 18 percent in November 1958. Lower U. S. prices were mainly responsible for the improvement in the U. S. position during recent months. The Netherlands, France, and Poland increased their share of the market during 1958.

LARD: West German imports by country of origin, percent of total for 1957 and January-November 1958

Control of origin	1957		January-November 1958	
	Quantity	Percent of total	Quantity	Percent of total
	Million pounds	Percent	Million pounds	Percent
Denmark.....	4.8	7.4	5.5	12.2
France.....	4.6	7.1	5.6	12.3
Netherlands.....	20.8	32.2	16.8	37.2
Poland.....	6.3	9.8	6.7	15.0
Sweden.....	4.8	7.4	2.7	5.9
United States.....	20.7	32.1	6.8	15.0
Others.....	2.5	4.0	1.1	2.4
Total.....	64.5	100.0	45.2	100.0

U. K. LARD IMPORTS STEADY; U. S.
SHARE CONTINUES TO DECLINE

The United Kingdom's imports of lard during January-November 1958 declined slightly from the level of the corresponding period of 1957. Shipments during November were also down slightly.

U. S. exports decreased moderately. The Netherlands sharply increased its exports, and shipments from France and Denmark increased moderately.

The U. S. share of the British market has declined from 64 percent during January-November 1957 to 54 percent during the comparable period of 1958. Prices of U. S. bulk lard have become more competitive. However, trade sources continue to stress the consumer preference for pre-packed lard in half-pound containers. The price of U. S. packaged lard is not competitive with that supplied by European producers.

U.K. MEAT IMPORTS DROP

U.K. meat imports in 1958, at 2.9 billion pounds, were 5 percent below 1957. A sharp drop in beef and veal imports was not offset by a slight rise in mutton and lamb imports. Pork imports remained about level, while canned meat imports declined 4 percent.

Beef and veal imports, at 901 million pounds, were 13 percent below 1957. Most of this decrease was due to reduced supplies from New Zealand. Argentina and Australia also reduced exports to the United Kingdom slightly. With a slightly lower beef and veal domestic production forecast for the next few months, and with exports expected to remain low, prices which have risen recently, are expected to remain high.

Pork imports, at 800 million pounds, were unchanged from 1957. A slight reduction in imports from Denmark, the most important supplier, was offset by sharp increases in imports from Ireland and Commonwealth countries. Pork imports and domestic production are expected to be high in 1959. Producers, however, expect prices to be maintained at their present level, due to the anticipated shortage of beef and veal.

Lamb and mutton imports, which at 763 million pounds were 2 percent above 1957, are expected to be high in 1959. Reduced supplies of beef may increase the demand for lamb and mutton in the United Kingdom, and should make imports and domestic production profitable.

Variety meat imports rose about 2 percent to 161 million pounds. In December 1958, the United Kingdom increased its dollar quota for variety meat imports for the year ending March 31, 1959, from \$1.68 million to \$2.52 million.

MEAT AND MEAT PRODUCTS: United Kingdom imports
(Product weight basis)

Year	: Beef : and : veal	: Lamb : and : mutton	: Pork	: Canned : meat : 1/	: Total : meat	: Variety : meats
	: Million : lb.	: Million : lb.	: Million : lb.	: Million : lb.	: Million : lb.	: Million : lb.
1954.....	602.6	728.9	744.8	354.2	2,430.5	108.0
1955.....	789.2	793.2	755.0	363.4	2,720.6	135.1
1956.....	983.6	774.6	757.8	337.2	2,853.2	140.4
1957 2/	1,030.4	750.3	801.7	408.5	2,990.9	157.6
1958 3/	901.1	762.9	799.5	393.3	2,856.8	161.1

1/ Revised to exclude poultry and rabbit meat. 2/ Revised.

3/ Preliminary.

Source: Commonwealth Economic Committee and other information.

NEW ZEALAND TO CONTINUE
LAMB SHIPMENTS TO U. S.

In response to the request of the National Woolgrowers Association (U. S.) that New Zealand halt lamb shipments to the United States for 6 months, a spokesman for the New Zealand Meat Producer's Board has stated:

New Zealand has no intention of flooding the American market with lamb but neither will it stop small shipments every few weeks. By sending these small shipments it is "tapping" the U. S. and Canadian market and not prejudicing the U.S. producer, nor affecting the U.S.

BRITAIN DECLARED FREE OF
FOOT-AND-MOUTH DISEASE

On January 8, 1959, Britain's Minister of Agriculture, Fisheries and Food declared the country had been free of foot-and-mouth disease for a period of 60 days.

This declaration will not greatly affect the livestock or meat trade. Because of its needs for imported meat, the United Kingdom permits entry of fresh and frozen meats from countries where foot-and-mouth exists and these imports are a constant source of reinfection. However, when outbreaks occur, sick and exposed animals are slaughtered and the disease is eradicated.

U.S. SHEEP MEN, OTHER FARM LEADERS IN NEW ZEALAND FOR TALKS AND STUDY

A group of 18 leading U. S. lamb producers are in New Zealand to talk about lamb shipments to the United States with producers in that country.

Another group comprised of U. S. farm leaders are also in New Zealand, studying the sheep industry with New Zealand sheep farmers. The group includes a staff member of the National Farm Bureau Federation; the president of the California Farm Bureau Federation; a member of the National Council of Farmer Cooperatives; a past president of the California Wool Growers Association; the president of the Washington Wool Growers Association, and a representative of the National Farmers Union.

NEW ZEALAND INCREASES DOLLAR EARNINGS FROM MEAT EXPORTS

One-fourth of New Zealand's export earnings from meat and meat by-products came from the U. S. market during the export year ended June 30, 1958. This amounted to \$64 million.

During the period July-December 1958, meat exports to the United States increased 300 percent from the same period of 1957. This trend is expected to level off somewhat in 1959 or perhaps increase slightly. The percentage of dollar earnings from meat exports to the U. S. market will likely increase slightly in relation to New Zealand's total earnings from export of meat.

The New Zealand meat industry earned a total of approximately \$305 million from both domestic and export sales of meat and meat by-products (excluding pelts, hides and skins, casings, tallow) during the year ended June 30, 1958.

DANISH MEAT OUTPUT TO RISE

Production of meat in Denmark during 1958 is estimated to have set a record, and the outlook is for even higher production during 1959. Most of this increase is expected to come in pork production.

About 7.8 million hogs were slaughtered in Denmark in commercial plants during 1958, a record. Production in 1959 is expected to reach about 8 million hogs. Beef and veal production are likely to remain about the same as in 1958.

Danish marketing authorities believe that this increased meat production can be exported without depressing prices during 1959. An expected shortage in beef and veal throughout Europe in 1959 may help to support pork prices. Expansion of canned meat exports from Denmark is also expected to provide a large outlet for Danish hogs.

PORTUGUESE OLIVE OIL
PRODUCTION ESTIMATE DOWN

With the 1958-59 harvest nearly completed, latest official estimates place expected olive oil production at 65 million liters (64,300 short tons). This is little more than half last year's output. The current olive crop is described as almost as poor as that of 1954, which was the smallest in recent years.

INDIAN WALNUT PRICES INCREASE;
CHINA COMPETITION ABSENT

Indian walnut prices increased in late December and early January, with light pieces being offered for shipment to Canada and the United Kingdom at 42 cents per pound, or 6 cents more than 30 days earlier.

Early season returns from the sale of unshelled Indian walnuts were reported to range between $12\frac{1}{2}$ and $18-1/8$ cents per pound, c.i.f., U.K. port. Indian exporters believe the Red Chinese walnut crop to be short since they report a complete absence of Chinese competition this year in such markets as Canada and the United Kingdom.

The 1958 Indian walnut harvest, an "on" year in the production cycle, is said to be of bumper size, with the crop from 20 to 30 days early. By contrast, the 1957 harvest was light and late by about the same number of days.

Indian walnut exports, unshelled basis, for the years 1954-55 through 1957-58 were as follows:

1954-55.....	10,109	short tons
1955-56.....	6,851	" "
1956-57.....	8,668	" "
1957-58.....	11,228	" "

The United Kingdom is the principal purchaser of Indian walnuts, taking 6,733 tons, or about 60 percent of all exports in 1957. Indian walnut exports to the United States unshelled basis, amounted to 1,158 tons in 1957.

GUATEMALA REVISES IMPORT DUTIES
ON VEGETABLE OILS AND OILCAKES

Guatemala has published a new tariff schedule which includes revised import duties on vegetable oils, margarine, shortening, and oilcakes and meals. The new schedule triples the specific duty on margarine and increases the duty on shortening by one-fifth. An additional duty of 10 percent ad valorem has been levied on all these commodities.

The revised specific rates on edible oils are more than 2 cents per pound below the old rates. However, the 10 percent ad valorem duty will about offset the reduction. Oilcake and meal, had been imported duty free prior to January 14.

The revised and old rates follow:

Commodity	Previous Duty	New Duty	
	cents per lb.	cents per lb.	Percent ad valorem
Edible oils.....	11.34	9.07	10
Margarine.....	6.80	22.68	10
Shortening.....	9.07	11.34	10
Oilcake and meal.....	Free	Free	10

ARGENTINE GRAIN BOARD PUBLISHES EXPORT PRICES FOR VEGETABLE OILS, EXPELLERS, MEALS

The National Grain Board of Argentina has published a list of export prices on which 20 percent retention tax was levied as of January 14, 1959. Prices in pesos per metric ton, f.o.b., follow:

<u>Vegetable oils</u>		<u>Expellers</u>		<u>Meals</u>	
Linseed	13,325	Linseed	5,005	Linseed*	4,310
Sunflower seed	15,990	Sunflower seed	4,160	Sunflower seed	3,965
Peanut	16,575	Peanut	5,395	Peanut	4,375
		Cottonseed	4,095	Cottonseed	3,965
		Rapeseed	3,250	Rapeseed	3,120

This list establishes a system which is practically the same as the old "aforo" system. Although the exporter is not required to sell at the price listed, the use of a published export price to determine the retention serves to establish the minimum price below which it may be difficult for the exporter to sell. It also serves to collect the revenue from the exporter, assuring that the exporter and the middle man do not receive exorbitant profits, and that the highest possible export price is obtained to maximize Argentina's foreign exchange earnings.

SUDAN DISCONTINUES MINIMUM RESERVE PRICES ON COTTON

Effective January 29, 1959, the Sudan Gezira Board discontinued all minimum reserve prices on Sudanese extra long staple cotton. This supposedly will allow prices of Sudanese cotton to drop to levels competitive with other foreign extra long staples.

The Gezira Board retains the right to accept or reject any bid. However, rejection of a bid at one auction does not necessarily mean that it will be rejected at a subsequent auction. Following the removal of the reserve prices on January 29, the Board accepted bids ranging from over 1-cent to 3-1/2 cents a pound below previously established prices.

GUATEMALA'S 1958-59 COTTON CROP SETS NEW RECORD

The 1958-59 cotton crop in Guatemala is now unofficially estimated at a record 90,000 bales (500 pounds gross). This is an increase of 48 percent from the 1957-58 crop of 61,000 bales, and is more than double the average production of 44,000 bales in the years 1953-57. The area planted to cotton in 1958-59 was also the largest on record at 68,000 acres. This compares with 43,000 acres in 1957-58.

Cotton consumption in Guatemala in 1958-59 may be slightly higher than last year's level of 14,000 bales. An absorbent cotton and sanitary napkin factory was opened in November 1958, with a reported consumption rate of 10 bales a day when operating at full capacity. This is said to be the first factory of its kind in Central America.

Cotton exports from Guatemala during the 1957-58 season were estimated at 40,000 bales, up 18 percent from exports of 34,000 bales in the 1956-57 season. European countries usually receive most of Guatemala's cotton.

Cotton stocks on July 31, 1958, were estimated at 13,000 bales, compared with 6,000 bales a year earlier.

WEST GERMANY IMPORTS LESS U. S. COTTON IN 1958-59

Imports of U.S. cotton into West Germany during the first 3 months (August-October) of the 1958-59 marketing season amounted to 70,000 bales (500 pounds gross), less than half the 194,000 bales imported from this source in the same months a year earlier. The reduced imports of U.S. cotton reflect the substantial shift in recent months to lower priced growths from other countries.

Total cotton imports into West Germany during the period under review were 293,000 bales, only 5 percent below imports of 308,000 bales a year earlier. The sharp drop in imports from the United States was offset to a large extent by increased quantities from most other principal suppliers, especially from Mexico; Peru, British East Africa, and Brazil.

The United States share of the West German market declined from a high level of 63 percent in August-October 1957 to 24 percent in August-October this season.

Cotton imports from the United States are expected to decline further during the remainder of the current season, particularly if present price advantages of other growths continue. The U.S. share of the West German market in 1958-59 may drop to around 20 percent.

Principal sources of the August-October 1958 imports, with comparable 1957 figures in parentheses, were: United States 70,000 bales (194,000); Mexico 62,000 (30,000); British East Africa 49,000 (25,000); Peru 43,000 (15,000); Brazil 15,000 (0); Nicaragua 14,000 (8,000); Belgian Congo 9,000 (5,000); Sudan 7,000 (5,000); and Egypt 6,000 (4,000).

Cotton prices on the Bremen market have declined since January 1958 by as much as 9 cents a pound for some foreign growths, and 2 to 3 cents for U.S. cotton. Some foreign growths, now at postwar lows, are under-quoting equivalent qualities of U.S. cotton by more than 5 cents a pound. Recent quotations for U.S. and comparable foreign cotton were:

COTTON: C.i.f. prices at Bremen, U. S. and comparable foreign growths,
January 29, 1959

Country	Quality	Comparable U. S. quality	Price per pound		Shipment date
			Foreign	U. S.	
			Cents	Cents	
Uganda.....	SM 1-1/8"	SM 1-1/8"	30.35	35.00	Prompt
Iran.....	SM 1-1/16"	SM 1-1/16"	28.20	32.90	Prompt
U.S.S.R.	SM 1-1/32"	SM 1-1/32"	26.70	32.00	Prompt
Mexico.....	M 1-1/32"	M 1-1/32"	26.80	29.70	Prompt
Nicaragua.....	M 1-1/32"	M 1-1/32"	24.50	29.70	Prompt

Small quantities of very low grade mixed quality cotton from Communist China have been sold recently in West Germany for about 8-1/2 cents per pound. Supplies of this cotton, which resembles pickings from other growths, are not known.

Cotton consumption in West Germany during August-October, at 352,000 bales, was slightly below the 368,000 bales used a year earlier. U.S. cotton accounted for around 40 percent of total consumption in August-October, compared with 65 percent a year earlier. Consumption in the entire 1958-59 season may be 5 to 10 percent below the 1,425,000 bales used last year. Advance orders at the end of October were nearly a third lower than on August 1, 1958, and heavy stocks of finished goods have accumulated at the mills. Therefore, production may have to be scaled down somewhat in order to bring supplies in line with the demand for textiles.

Mills have limited their raw cotton purchases to immediate needs thus far in 1958-59. As a result of the limited mill purchases and only a small drop in the consumption rate, stocks had declined to around 340,000 bales on October 31, compared with beginning stocks of 400,000 bales on August 1, 1958.

INDIA'S 1958-59 COTTON CROP NEAR LAST YEAR'S LEVEL

The 1958-59 cotton crop in India is currently estimated at 4,400,000 bales (500 pounds gross). This is only slightly below 1957-58 production of 4,425,000 bales, which was the largest Indian crop since partition. Cotton acreage was also slightly lower in 1958-59, amounting to 20,150,000 acres, against 20,150,000 acres in the previous season.

Cotton consumption in India for 1957-58 is estimated at 4,340,000 bales, down 4 percent from the 4,515,000 bales used in 1956-57. The lower consumption was attributed mainly to larger accumulation of cloth stocks in the mills during 1957-58. A further slight decline in consumption is expected in 1958-59, as mill stocks of finished goods are still heavy. Consumption during the first 2 months (August-September) of the current season totaled 686,000 bales, compared with 711,000 bales a year earlier.

Cotton exports from India during the current season probably will be considerably above 1957-58 exports of 227,000 bales. The government is actively encouraging cotton exports to earn foreign exchange. The export tax on all varieties of cotton was reduced by 50 percent in November 1958, in an effort to make Indian cotton more competitive in world markets.

Cotton exports during August-November 1958, were 97,000 bales according to preliminary statistics. This compares with only 15,000 bales in the corresponding months of 1957. Principal destinations of the August-November 1958 exports, with comparable 1957 figures in parentheses, were: Japan 49,000 bales (12,000); Communist China 18,000 (0); Belgium 11,000 (0); Hong Kong 6,000 (1,000); and Italy 2,000 (0).

India's cotton imports during August-November 1958 totaled 71,000 bales, down 26 percent from the 96,000 bales imported in the same months a year earlier. Most of the August-November imports came from British East Africa, Egypt, and Sudan.

Cotton stocks held by mills on September 30, 1958, were reported at 916,000 bales, down 3 percent from a year earlier. Imported cotton accounted for 96,000 bales or 10 percent of the total stocks at the end of September 1958, compared with 174,000 bales or 18 percent a year earlier.

Spot prices for Indian cotton on the Bombay market strengthened during November and December, as lower imports of foreign cotton resulted in a better demand for local cotton, particularly for the better qualities. Spot quotations at Bombay on December 31, 1958, excluding export taxes, were: Broach Vijay, Fine, 13/16-inch, 24.67 cents per pound; Jarila, Fine, 25/32-inch, 19.17 cents; and Bengal Desi, Fine, 17.16 cents per pound. Comparable quotations on October 30, 1958, were: Broach Vijay 21.45 cents per pound; Jarila 17.43 cents; and Bengal Desi 14.75 cents per pound.

PERUVIAN DROUGHT HURTING CROPS

An expansion of the drought into the northern coastal departments of Peru (Piura, Lambayeque, La Libertad) is causing widespread reports of poor 1959 crop prospects, especially for cotton, rice, and sugar.

However, sugar prospects for 1959 are still uncertain, although an increase in production over the low 1958 outturn is expected. In some valleys, the transplanting of rice and the planting of cotton is being delayed.

Water shortage has adversely affected the production of cotton in the Department of Ica and presented an expected increase in the 1959 crop of extra-long staple cottons in Piura. Also, in the Departments of Cajamarca and Ancash, drought and freezes have destroyed many growing crops and pastures.

HOT WEATHER AFFECTS SOUTH AFRICAN DECIDUOUS FRUIT

Temperatures in the Union of South Africa, especially toward the end of December, were very high and some growing areas report sun damage to fruits. Fruit has ripened much faster than in previous seasons, causing delivery for export of an exceptionally large volume of fruit which overloaded handling facilities. Much fruit has been rejected for over-ripeness.

It is now estimated that the 1958-59 apple crop will be somewhat below last year but prospects for pears are good. In general, the outlook is favorable for stone fruit crops, particularly peaches for canning.

Weather for the balance of the season and the supply of water will materially affect the final production level of these fruits. Continuous irrigation is now necessary in most areas.



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